

Summary for the Business Tendency Survey in September 2022

Business activity indicator

- the headline **all-sector business activity** indicator was **moderately positive**, at +10 percentage points (pp); this means the proportion of businesses that reported an increase was 10 pp higher than those that reported a decrease
 - the business activity indicator was moderately positive for the finance sector (+16 pp) and neutral for the non-finance sector (+7 pp)

Current indicators

- **one** of the **eight current indicators** was **extremely negative** (input costs) and **two indicators** were **moderately negative** (profitability and business optimism), while one was **strongly positive** (product prices) and **two** were **moderately positive** (business activity and employment)
- the **overall** picture was **more negative** than last quarter; **two** current indicators **decreased** (business optimism and business activity)

Current situation: COVID-19

- the turnover indicator was **moderately positive** at +13 pp, which is **essentially unchanged** from the previous quarter
- the actively working indicator was **neutral** at +3 pp, which is **essentially unchanged** from the previous quarter
- in the last three months, 38% of businesses had taken some **additional workforce measures** in response to COVID-19, with the **most cited measures** in this quarter being **recruited staff** and **increased working hours**

Outlook for next quarter – the three months to December 2022

- the outlook for **future business activity** was **moderately positive** (+10 pp)
 - the indicator balance was strongly positive for finance (+44 pp) and neutral for non-finance (-5 pp)
- the overall **future employment** outlook was **moderately positive** (+22 pp)
 - the indicator was strongly positive for finance (+43 pp) and moderately positive for non-finance (+13 pp)

Introduction

The Jersey Business Tendency Survey (BTS) aims to provide qualitative quarterly information about the Island's economy in a timely manner.

The survey provides a set of ten qualitative indicators. There are:

- **eight current indicators:** these are measures of current performance relative to that of three months previously (rather than absolute measures of performance)
- **two future indicators:** these measures anticipate changes over the next three months

Detailed definitions of the indicators are provided in the [glossary](#).

For each indicator a net balance is calculated, defined as the difference between the proportion of businesses reporting an increase in a particular measure and the proportion reporting a decrease¹.

Context: COVID-19

In response to the COVID-19 pandemic and associated economic consequences, additional questions have been included since the June 2020 round of the survey in order to measure some of these consequences. These questions are analysed in the [annex](#) at the end of the report. The [glossary](#) includes definitions for some of the new concepts covered in the COVID-19 annex.

¹ Note that figures in this report are rounded independently; therefore, an indicator's balance may differ by up to one percentage point from the difference between stated percentages.

Section 1: Current situation

Business activity

The headline indicator is business activity, which is a measure of the total amount of work undertaken by businesses operating in Jersey. The type of business activity will be specific to each sector of business; for example, turnover, number of products produced, or chargeable hours. Detailed definitions for this indicator and others can be found in the [glossary](#).

In September 2022, the all-sector business activity indicator was moderately positive, with a value of +10 percentage points (pp). An increase in business activity was reported by 23% of businesses, compared with 13% that reported a decline; the difference in the unrounded figures results in a net balance of +10 pp, which provides the value of the indicator. The remaining 64% of companies reported that business activity was unchanged; see [Figure 1.1](#).

The overall business activity indicator decreased moderately since the previous quarter (down by 10 pp); see [Figure 1.2](#).

Figure 1.1 – Business activity, September 2022

Compared with situation three months previously

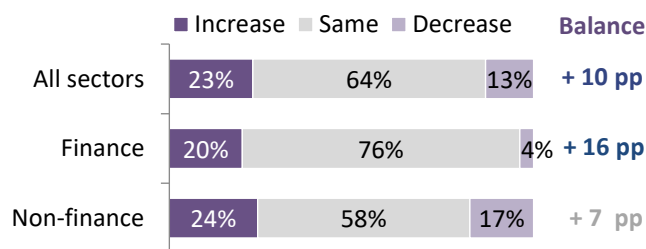
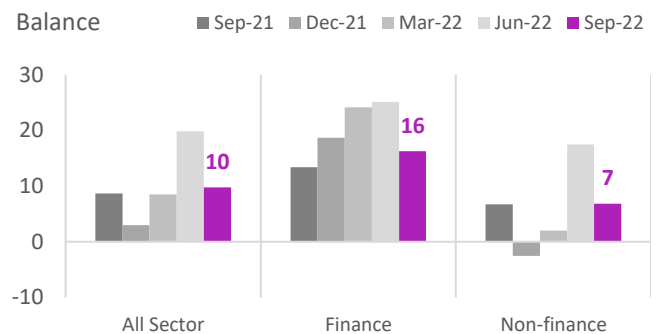


Figure 1.2 – Business activity

September 2021 – September 2022 (percentage points)



The finance sector indicator was essentially unchanged from last quarter (down 9 pp), while the balance for the non-finance sector moderately decreased on a quarterly basis (down 11 pp).

Within the non-finance sector, the business activity indicator was:

- moderately positive in hotels, restaurants and bars (+19 pp)
- neutral in construction (+9 pp), other non-finance (+7 pp) and wholesale and retail (-4 pp)

Since June, there was a strong quarterly decrease in wholesale and retail (down 37 pp) and a moderate quarterly decrease in construction (down 10 pp). There was essentially no quarterly change for hotels, restaurants and bars (down 9 pp) and other non-finance (up 4 pp).

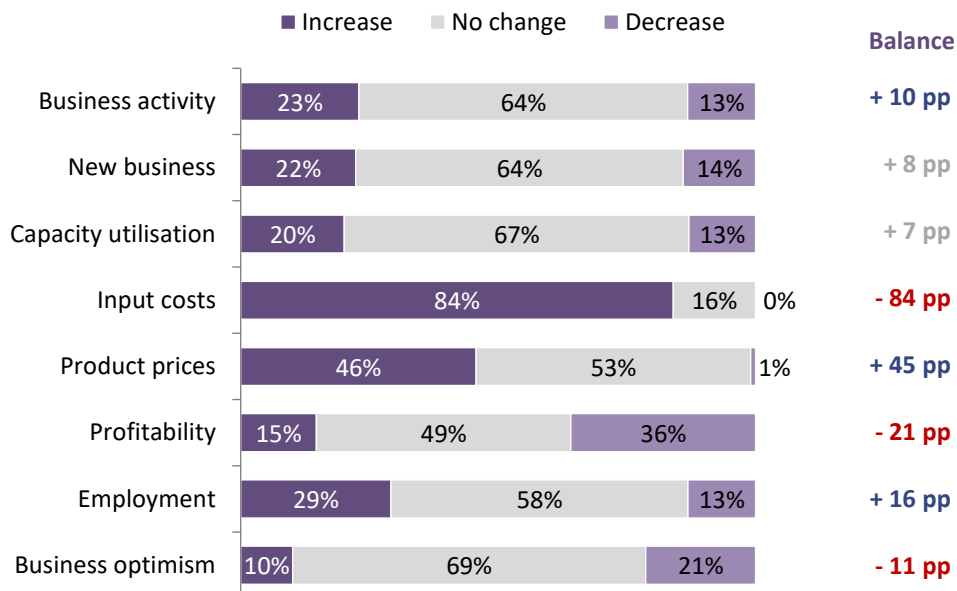
See the [appendix](#) for further sectoral breakdown.

Current indicators

In September 2022, one of the eight all-sector indicators relating to the current situation was strongly positive, two were moderately positive, one was extremely negative, two were moderately negative, and the other two were neutral; see [Figure 2.1](#). A positive net balance indicates that a greater proportion of companies reported increases than decreases, and conversely for a negative balance, while an indicator is reported on if it has a balance of at least ± 10 pp.

The input costs indicator had an extremely negative balance of -84 pp, and the profitability and business optimism indicators had moderately negative balances of -21 pp and -11 pp respectively. The product prices indicator was strongly positive (+45 pp) whilst the employment and business activity indicators had moderately positive balances (+16 pp and +10 pp respectively). The other current indicators, new business and capacity utilisation, were neutral.

Figure 2.1 – All-sector indicators, comparing current situation (September 2022) to three months previously

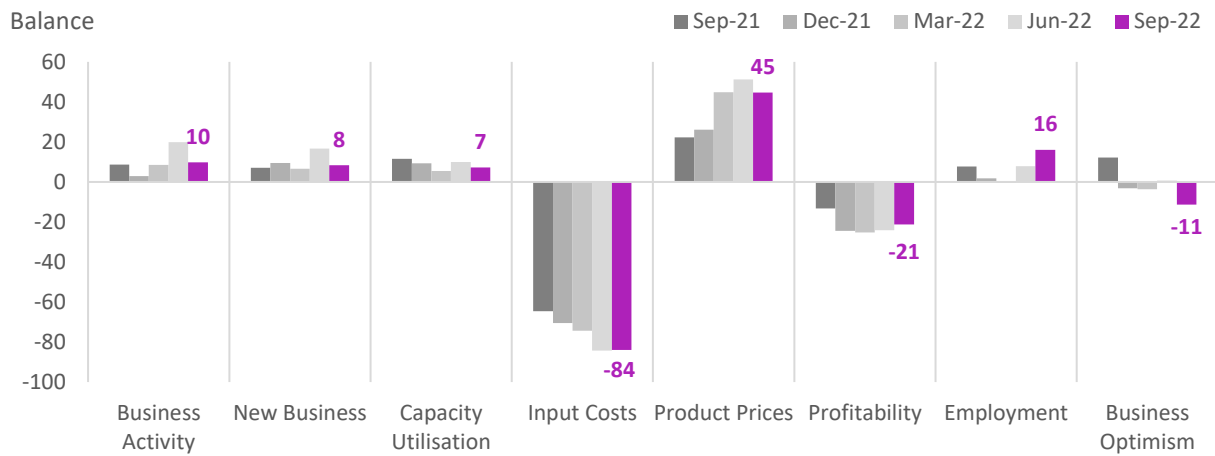


The summary balance across all significant indicators² was 0, which is lower than the previous quarter (down by 2). The summary balance was above the previous three-year mean of -2.1.

² This is the difference between the number of positive indicators (four) minus the number of negative indicators (two).

Figure 2.2 – All-sector current indicators

September 2021 – September 2022



[Figure 2.2](#) shows the eight current indicators for September 2022 against those of the previous four quarters. There were two notable quarterly changes, both moderate decreases; these were in business optimism (down 12 pp) and business activity (down 10 pp).

Compared to the balances a year before, three indicators changed notably, two changes being decreases and the other being an increase. The annual changes were the moderate decreases in the balance of the business optimism and the input costs indicators (down 23 pp and 19 pp respectively). There was a moderate increase in the balance of the product prices indicator (up 23 pp).

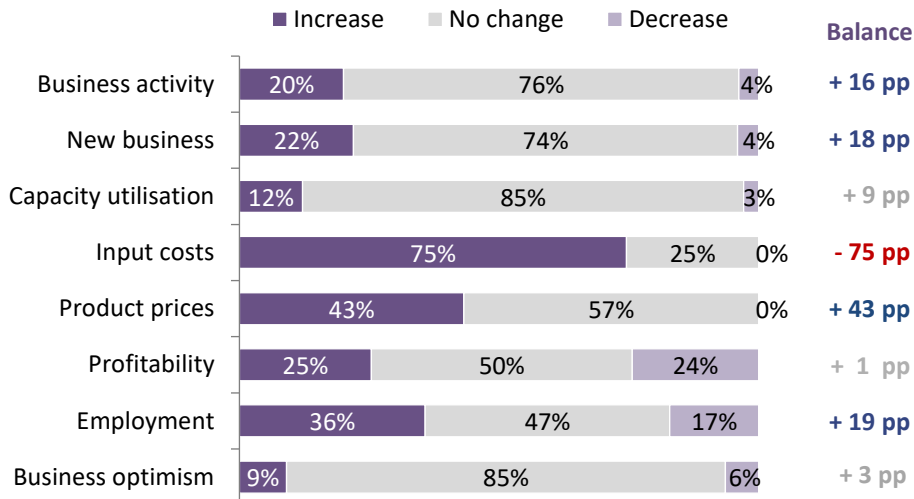
Six indicators were notably different to their previous three-year means; input costs was strongly below its previous three-year mean by 35 pp, whilst product prices was strongly above its previous three-year mean by 28 pp. Four were moderately above their averages: employment (19 pp above), business activity (14 pp above), new business (11 pp above), and capacity utilisation (11 pp above).

The input costs indicator remained at its previous minimum balance from June 2022. For each quarter since June 2021 to June 2022 this indicator recorded a new minimum recorded value. Prior to 2021, the minimum indicator balance was -55 pp (June 2017).

Finance sector

In September 2022 the finance sector had four positive indicators, one negative indicator and three neutral indicators; see [Figure 3.1](#).

Figure 3.1 – Finance sector indicators, comparing current situation (September 2022) to three months previously



The summary balance across all significant indicators³ was +3, down from +5 for the previous quarter, and slightly higher than the previous three-year mean for the finance sector (+1.8).

[Figure 3.2](#) illustrates that there was one change since the previous quarter: business optimism decreased moderately (down 13 pp). The balances of the other seven indicators were essentially unchanged from the previous quarter.

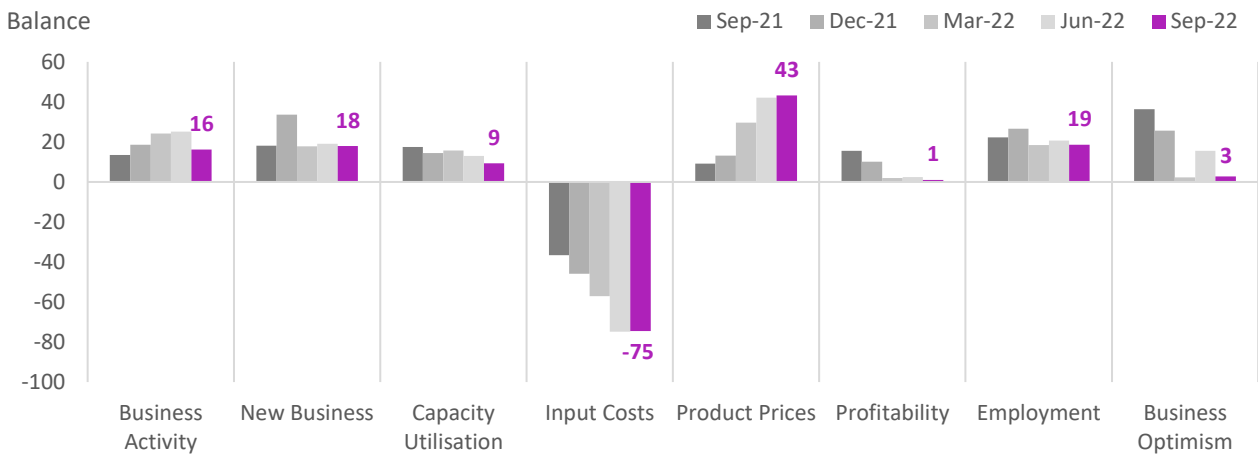
Compared to September 2021, the input costs and business optimism indicators saw strong decreases (down 38 pp and 33 pp respectively) and profitability saw a moderate decrease (down 15 pp), while there was one annual increase, which was a strong increase in the product prices indicator (up 34 pp). Other indicators were essentially unchanged on an annual basis.

In September 2022 one of the eight current indicators for finance was notably above its previous three-year mean, that being product prices, which was strongly above its previous three-year mean by 35 pp. Input costs was the only indicator strongly below its previous three-year average (42 pp below). The other six current indicators were at a similar level to their previous three-year means.

³ This is the difference between the number of positive indicators (six) minus the number of negative indicators (one).

Figure 3.2 – Finance sector current indicators

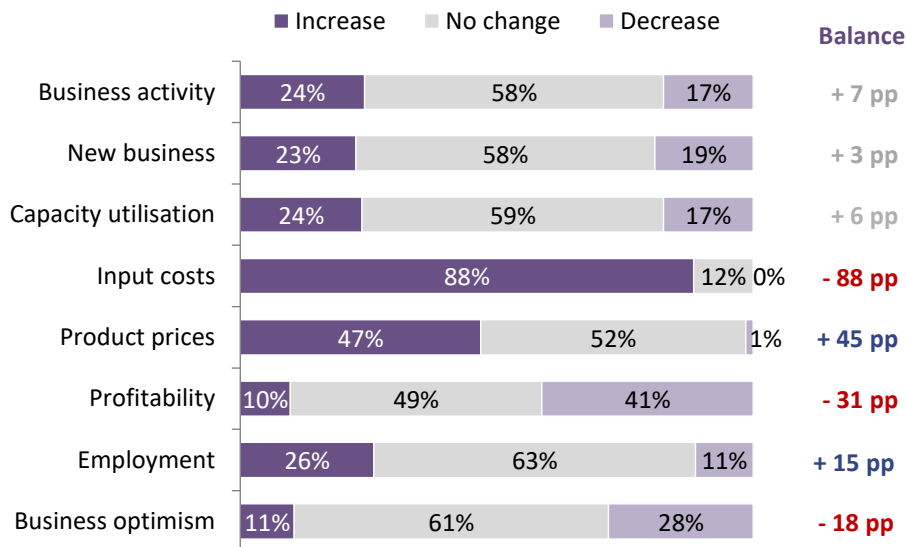
September 2021 – September 2022



Non-finance sector

For the non-finance sector in September 2022, three current indicators were negative, two current indicators were positive, and the other 18 current indicators were neutral; see [Figure 4.1](#).

Figure 4.1 – Non-finance sector indicators, comparing current situation (September 2022) to three months previously



The summary balance across all significant indicators was -1, lower than the previous quarter (+1) but above the three-year mean for the period up to June 2022 for the non-finance sector (-3.0).

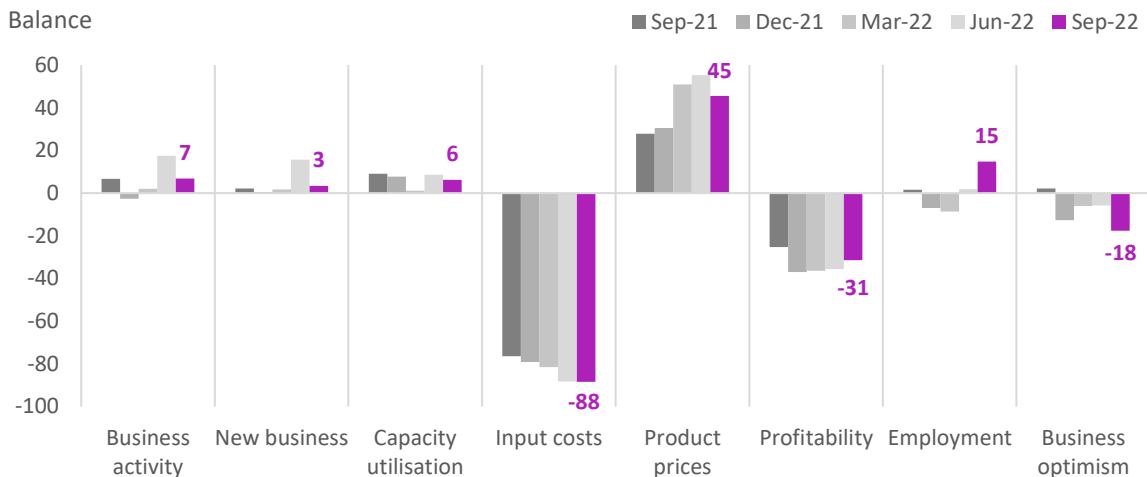
The input costs indicator was extremely negative (-88 pp), profitability was strongly negative (-31 pp), and business optimism was moderately negative (-18 pp). In contrast the product prices indicator was strongly positive (+45 pp) and employment was moderately positive (+15 pp), and the remaining three current indicators were neutral.

All of the non-finance sub-sectors (hotels, restaurants and bars, construction, wholesale and retail, and other non-finance) were extremely negative in one indicator: input costs. The product prices indicator was also extremely positive in three of the sub-sectors: wholesale and retail, hotels, restaurants and bars, and construction. The wholesale and retail and the hotels, restaurants and bars sectors were negative in two other indicators, and the construction and other non-finance sectors were negative in one other indicator, profitability.

For the non-finance sector overall, there were five quarterly changes, all moderate in size. There were decreases in four indicators: new business, business optimism, business activity and product prices (down 13 pp, 12 pp, 10 pp and 10 pp respectively). The only increase was in the employment indicator (up 13 pp). The other three indicators were essentially unchanged; see [Figure 4.2](#). See the [appendix](#) for detailed breakdowns by size and sector.

Figure 4.2 – Non-finance sector current indicators

September 2021 – September 2022



Compared to a year ago, there were two moderate increases in product prices and employment, and two moderate decreases in business optimism and input costs. In September 2022 five indicators were moderately above their previous three-year means (product prices, employment, business activity, capacity utilisation and new business) and one was below its previous three-year mean, that being the input costs indicator which was strongly below its previous three-year average by 33 pp.

Hotels, restaurants and bars saw strong quarterly decreases in two of the eight current indicators: new business and business optimism were down by 29 pp and 27 pp. There was one quarterly increase, which was a moderate increase of 11 pp in product prices. Compared to a year ago, three indicators were more negative; both business optimism and new business decreased strongly (down by 43 pp and 26 pp respectively) and business activity decreased moderately by 21 pp. In contrast, there were moderate increases in employment and product (up by 16 pp and 15 pp respectively). In September 2022, six indicators were strongly above their previous three-year means; in contrast, the only indicator that was below its previous three-year mean value was input costs (38 pp below). The other indicator, business optimism was essentially at the same level as its previous three-year mean.

The construction sector had four quarterly changes, comprising of one strong decrease in new business (down 26 pp), two moderate decreases in product prices and business activity (down 14 pp and 10 pp respectively), and a moderate increase in the employment indicator (up 17 pp). Compared to one year ago, employment had a strong increase (up 35 pp) and profitability, capacity utilisation and business activity had moderate increases (up 23 pp, 22 pp and 18 pp respectively). There was one moderate annual decrease in the indicator for input costs (down 17 pp). In September 2022, five current indicators in this sector were at least 10 pp above their previous three-year means, three were strongly above and two were moderately higher. In contrast, input costs was strongly below its average (31 pp below).

The wholesale and retail sector indicators showed two strong quarterly decreases in business activity and business optimism (down 37 pp and 36 pp respectively), one moderate decrease in the new business indicator (down 12 pp), and one moderate quarterly increase in employment (up 20 pp). In September 2022, one indicator was extremely above its previous three-year mean (product prices, 52 pp above) and two were moderately above (employment and capacity utilisation). In contrast, business optimism and input costs were strongly below their previous three-year averages (below by 39 pp and 33 pp respectively).

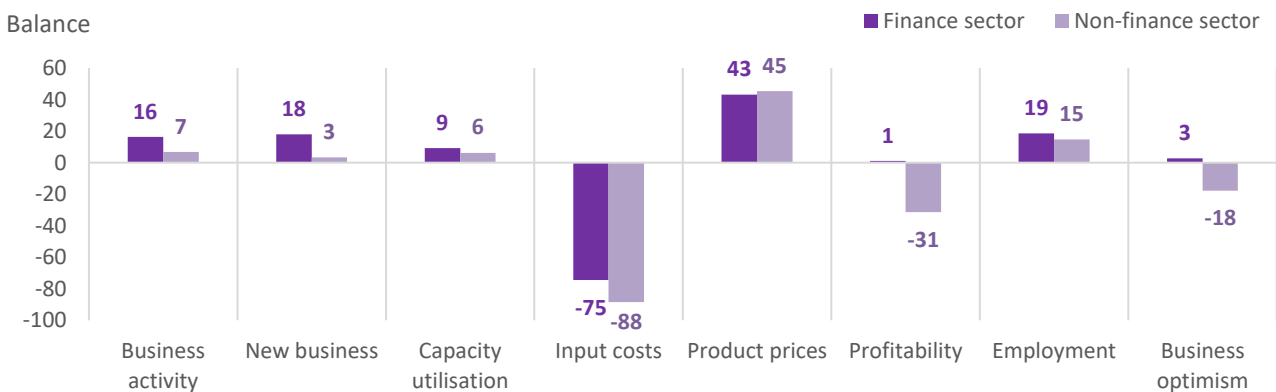
For the other non-finance sector there were two moderate quarterly changes: a moderate decrease in product prices (down 17 pp), and a moderate increase in employment (up 10 pp). Compared to a year ago, there were four annual changes, of which capacity utilisation, input costs and profitability decreased moderately (down 17 pp, 14 pp and 10 pp respectively) and employment increased moderately (up 17 pp). In September 2022, employment, business activity and new business were moderately above their previous three-year means (by 23 pp, 15 pp and 13 pp respectively), while the input costs indicator was strongly below its previous three-year average (33 pp below).

Comparison of finance and non-finance sectors

The finance sector was significantly more positive than the non-finance sector in four of the eight current indicators, and essentially at the same level as the other four indicators. This gave a net balance of +4 indicators where the finance sector was more positive; see [Figure 5.1](#). This is slightly below the previous three-year mean balance of +4.8. In September 2022, one current finance sector indicator (profitability) was strongly above the balance for the non-finance sector (by at least 25 pp) and three were moderately higher (business optimism, new business and input costs).

Figure 5.1 – Finance and non-finance sector indicators (net balances, percentage points)

September 2022



Section 2: Future indicators

Future business activity

The outlook for all-sector future business activity over the next three months (to December 2022) was moderately positive (+10 pp). Increases in business activity were expected by a quarter (25%) of businesses, compared to 15% that expected decreases, while over half (60%) expected no change; see [Figure 6.1](#).

Figure 6.1 – Future business activity

Expectations for next three months (September 2022)

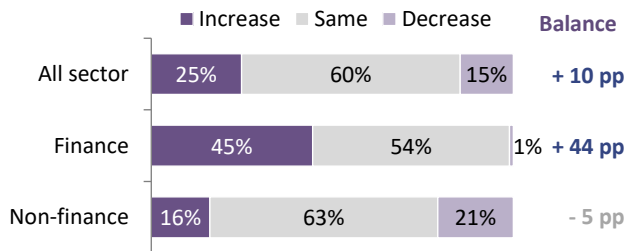
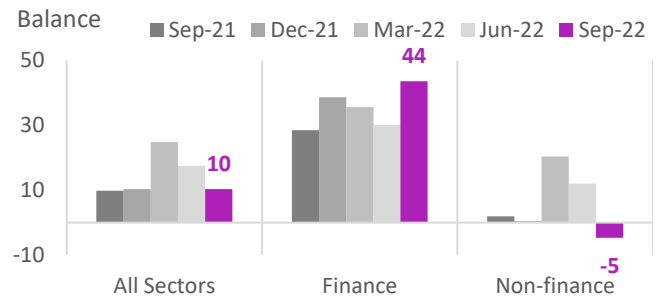


Figure 6.2 – Future business activity

September 2021 – September 2022 (percentage points)



The future business activity indicator was strongly positive for the finance sector (+44 pp) and neutral for the non-finance sector (-5 pp). In the finance sector, 45% of business expected an increase compared to 16% of businesses in the non-finance sector. Only 1% of businesses in the finance sector expected a decrease compared to 21% of non-finance businesses.

Within the non-finance sub-sectors, the future business activity indicator was:

- moderately positive for construction (+21 pp)
- neutral for hotels, restaurants and bars (-8 pp)
- strongly negative for wholesale and retail (-27 pp)
- and neutral for other non-finance (-2 pp).

The overall future business activity indicator was essentially unchanged since the previous quarter; see [Figure 6.2](#). The balance in September 2022 was also essentially unchanged on an annual basis.

The future business activity indicator for the finance sector moderately increased on a quarterly and annual basis. In September 2022 this indicator was moderately above its previous three-year mean by 24 pp.

The non-finance sector balance in the latest quarter moderately decreased (down 17 pp) from its balance in June 2022 and was essentially unchanged from its balance twelve months ago in September 2021. It was essentially at the same level as its previous three-year mean.

Within the non-finance sector, the indicator for construction decreased moderately from its value last quarter, but moderately increased from its value 12 months ago and was moderately above its previous three-year mean.

The wholesale and retail sector strongly decreased from its balance last quarter (down 30 pp) and its September 2021 balance (down 46 pp), and was strongly below its previous three-year mean (38 pp below).

Hotels, restaurants and bars strongly decreased from its June 2022 value (down 29 pp). However, this sector's future business activity indicator moderately increased from its balance for September 2021 (up 14 pp) and was moderately above its previous three-year mean (11 pp above).

Other non-finance was at essentially the same level as its balance last quarter, last year and its previous three-year mean. See the [appendix](#) for a sectoral breakdown.

Future employment

The outlook for all-sector future employment over the next three months (to December 2022) was moderately positive (+22 pp). An increase in employment was expected by a third (33%) of businesses, compared to 10% that expected a decrease, while 57% expected no change; see [Figure 7.1](#). The finance sector was strongly positive (+43 pp), with half (48%) of businesses expecting an increase in employment, and only 5% expecting a decrease. The non-finance sector was moderately positive (+13 pp), with a quarter (26%) of businesses expecting to increase employment, offset by 13% that expected employment to decrease.

Figure 7.1 – Future employment

Expectations for next three months (September 2022)

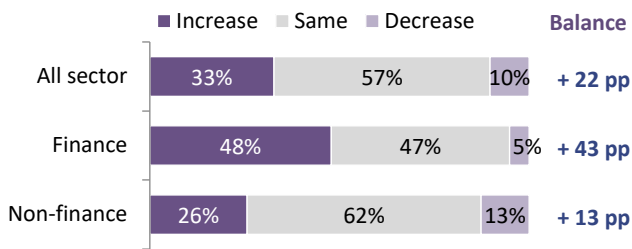
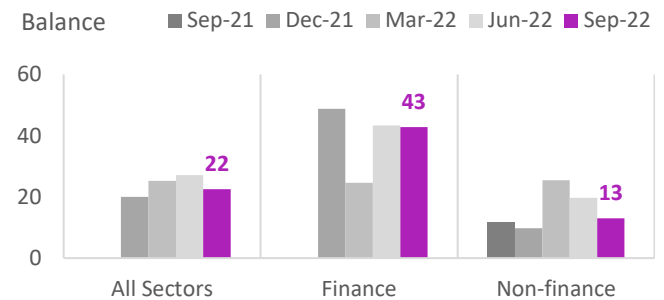


Figure 7.2 – Future employment⁴

June 2021 – June 2022 (percentage points)



The overall indicator for the all-sector future employment indicator was at essentially the same level as in June 2022; see [Figure 7.2⁴](#).

In the current quarter the future employment indicator was moderately above its previous three-year mean for the finance sector (above by 16 pp) and essentially unchanged for the non-finance sector (up 8 pp). This resulted in the all-sector balance being moderately above its previous three-year mean by 10 pp.

Due to a technical fault the future employment question was not asked of the finance sector in September 2021, so the finance and all-sector future employment indicator cannot be compared on an annual basis. The non-finance sector was essentially unchanged from last year.

Within the non-finance sector, the future employment indicator was strongly positive for construction (+27 pp) and moderately positive for other non-finance (+19 pp) and wholesale and retail (+10 pp), while it was moderately negative for hotels, restaurants and bars (-12 pp).

See the [appendix](#) for a detailed breakdown by size and sector.

⁴ In the September 2021 round, the future employment question was not asked of the finance sector due to a technical fault, so responses were only collected for the non-finance sector.

Annex 1 – COVID-19

In response to the COVID-19 pandemic and associated economic consequences, additional questions have been included since June 2020 in order to measure some of these consequences.

Trading activity

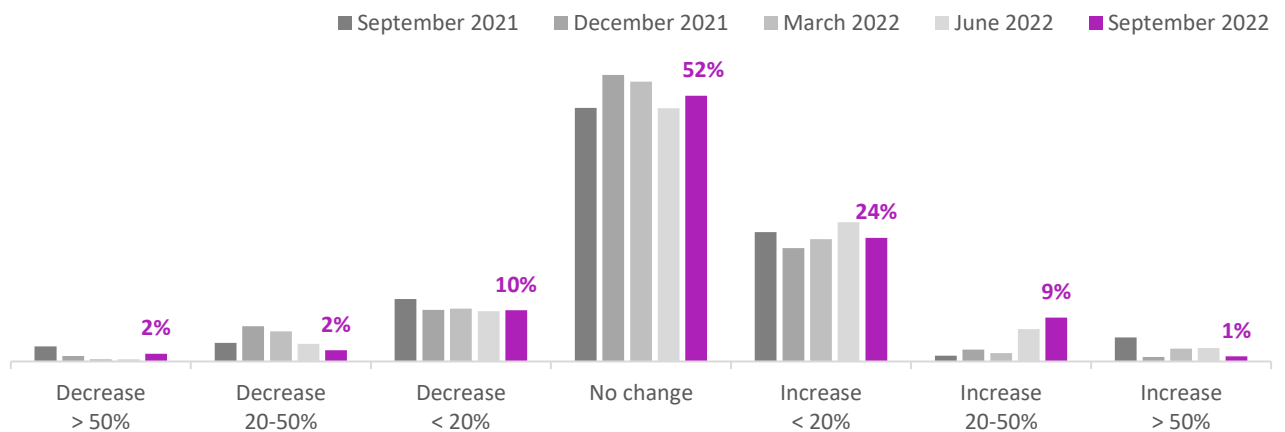
Businesses were asked if they were currently trading. Of those that responded, 99% were trading and 1% were inactive in September 2022. However, some of the undertakings that did not respond to the survey are known to have ceased, so these figures underestimate the proportion of undertakings that ceased during the period.

Turnover

Businesses were asked how their turnover in September 2022 compared to three months' ago (June 2022) and were given a choice of several options. In calculating the balance of this indicator, the smaller increases and decreases (of less than 20%) were given a lower weight (50%), and the greatest increases and decreases (of more than 50%) were given a larger weight (150%).

The balance of the turnover indicator was moderately positive at +13 pp, see [Figure A1.1](#). Overall, a third (34%) of businesses reported an increase in turnover, compared to 14% that reported a decrease. The balance of this indicator was essentially unchanged from June 2022 (down by 2 pp).

Figure A1.1 – Annual change in turnover



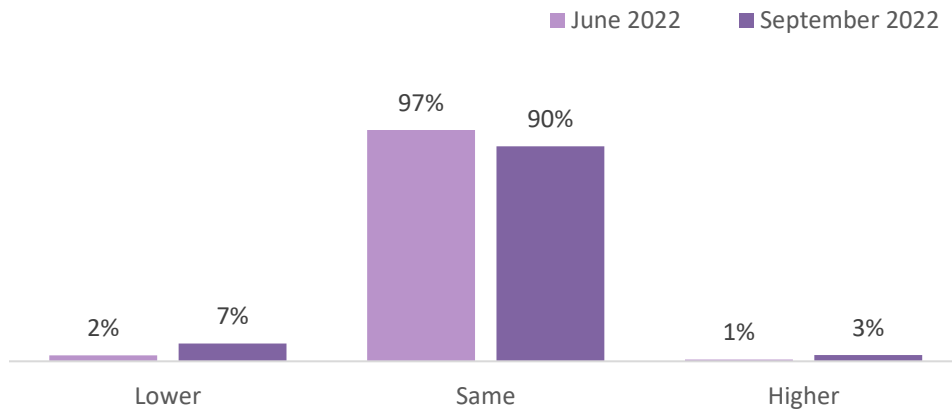
The turnover indicator was strongly positive for the finance sector (+27 pp) and neutral for the non-finance sector (+6 pp).

Access to finance

The access to finance indicator was neutral (-5 pp). A large majority (90%) reported no change in their access to finance, while 3% reported an increase and 7% reported a decrease; see [Figure A1.2](#). The balance of this indicator has remained at essentially the same level since March 2021.

The indicator was neutral for both the finance (-3 pp) and non-finance (-6 pp) sectors.

Figure A1.2 – Access to finance in June 2022 and September 2022 compared to three months' ago



Employment

Of businesses that employed staff, 8% reported that a higher proportion of their staff were actively working in September 2022 compared to normal, while 6% said that a lower proportion of their staff were actively working. Staff that are actively working are carrying out their duties, as opposed to not working but continuing to be employed. The balance of +3 pp was essentially unchanged from the previous quarter (-6 pp) and was also essentially unchanged from September 2021 (-4 pp).

Figure A1.3 – Proportion of staff actively working, September 2020 to September 2022, finance sector

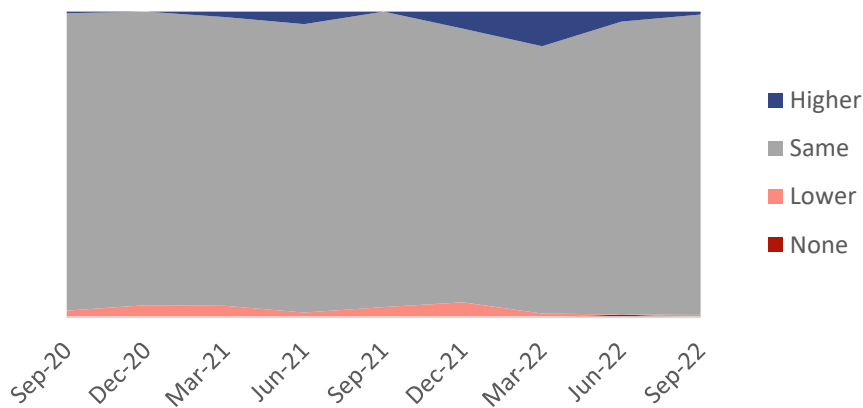
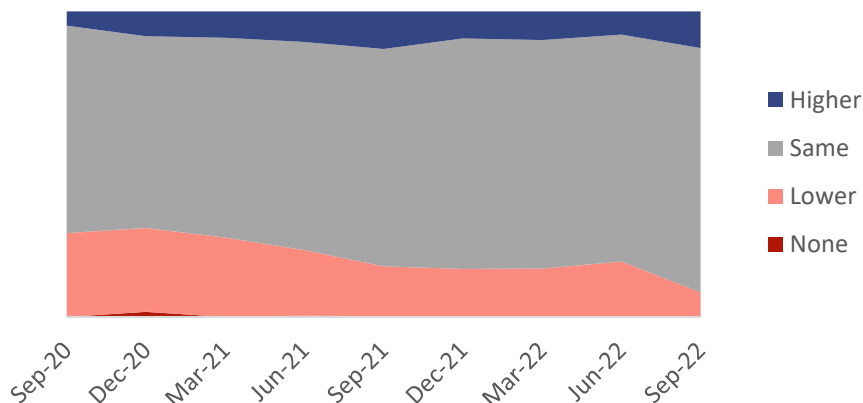


Figure A1.4 – Proportion of staff actively working, September 2020 to September 2022, non-finance sector



The actively working indicator for the finance sector was neutral (0 pp), essentially unchanged from last quarter; see [Figure A1.3](#). The non-finance sector balance was also neutral (+4 pp) in September 2022, representing a moderate quarterly increase of +14 pp; see [Figure A1.4](#).

Of the all-sector businesses that employed staff, 3% said that all their staff were working remotely in the last three months whilst 55% of businesses said that some of their staff had worked remotely in the last three months. In contrast, 42% said none of their staff had worked remotely since June 2022. The levels have remained essentially unchanged from last quarter.

In the last three months, 93% of all business in the finance sector reported some of their staff working remotely whilst 1% reported that none of their staff worked remotely. In the non-finance sector 35% reported some staff worked remotely, but 63% reported none of their staff had worked remotely since June 2022.

Businesses were also asked the ability of staff to work remotely. Over a quarter (27%) of all-sector businesses reported that all of their staff could work remotely, and a further 39% said some of their staff could work remotely. In contrast, over a third (35%) said none of their staff were able to work remotely. In the finance sector, just under three-quarters (73%) of businesses reported all their staff could work remotely, compared to 3% of non-finance companies; see [Figure A1.5](#) and [Figure A1.6](#).

Figure A1.5 – Proportion of staff able to work remotely, finance sector

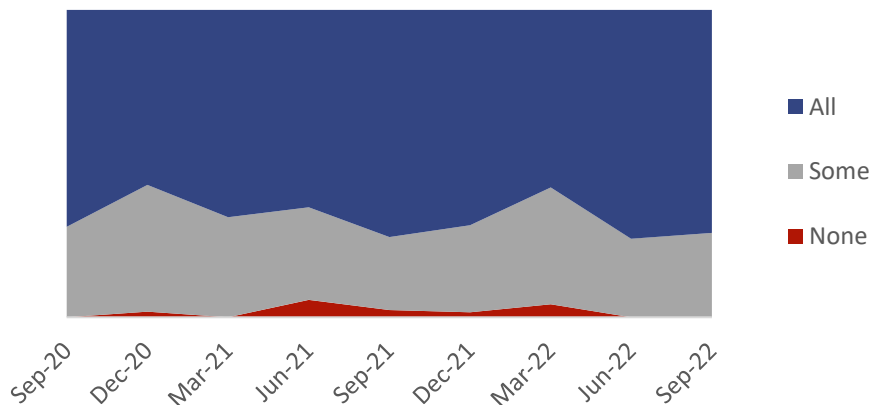
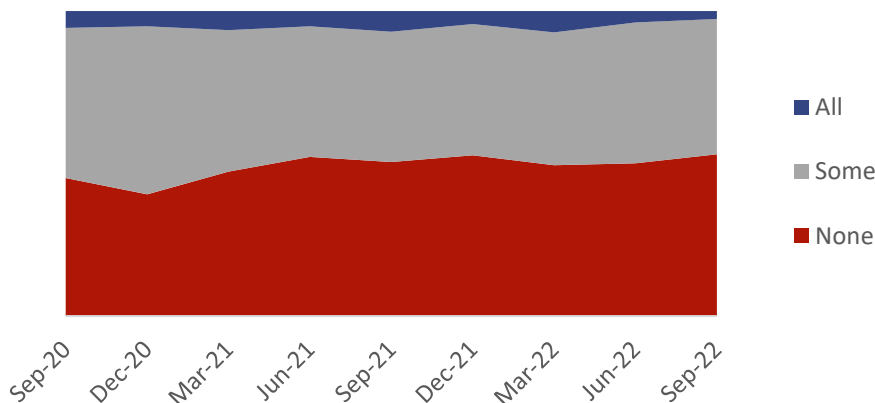


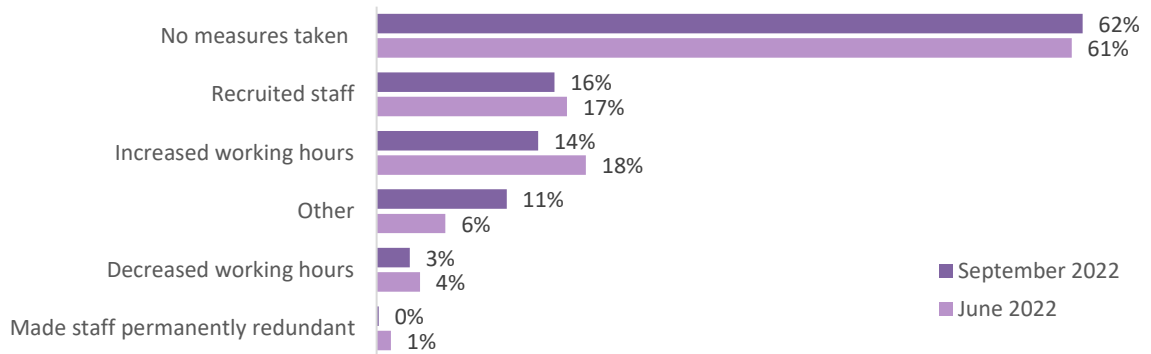
Figure A1.6 – Proportion of staff able to work remotely, non-finance sector



Businesses were asked if they had taken any measures to cope with the impact of COVID-19 on their workforce in the last three months. Of businesses that employed staff, 38% had implemented some measures

in the last three months, and 62% reported that no additional measures had been taken. These levels are essentially unchanged from the previous quarter, when 39% of businesses did not implement any measures. The most common measures taken in the last three months were to recruit staff (16%) and increase working hours (14%), followed by other workforce measures (11%); see [Figure A1.7](#).

Figure A1.7 – Workforce measures taken in response to COVID-19 in the last three months, as reported in June 2022 and September 2022



The least commonly selected option was staff redundancies (0%). Staff redundancies has remained the least commonly selected option since this question was first asked in June 2020.

The most common ‘other’ measures mentioned facilitating home and remote hybrid working, increased use of supply staff to cover sickness and flexible working hours, as well as offering more overtime to cover staff sickness.

In September 2022, 81% of finance businesses reported they had taken no additional workforce measures in response to COVID-19 during the previous three months, in contrast to half (52%) of non-finance businesses. The proportion of finance companies that reported taking no measures has been above that for non-finance companies every time this question has been asked.

Notes

The Business Tendency Survey samples private sector businesses in Jersey. The survey asks the Chief Executive or Managing Director of sampled businesses for their opinions on the current situation of their business compared with three months previously, and for their expectations for the next three months.

Each indicator derived from the survey responses is calculated as a weighted net balance, see below.

The survey is run in the last month of each quarter. In June and December, additional questions are asked of the finance sector to gauge their expectations for future employment, profits and business development.

- 1. Net balance:** Net balances are used to summarise respondents' answers to the multiple-choice questions of the Business Tendency Survey. The net balance is obtained by taking the difference between the weighted percentages of respondents giving positive (such as "increase" or "higher") and negative responses (such as "decrease" or "lower"). The net balance is given as a difference measured in percentage points (pp). The statistical uncertainty on each net balance (expressed as a 95% confidence interval) depends on the effective (weighted) numbers of respondents to each question. For overall indicators covering the whole of the private sector, the 95% confidence interval ranges from ± 5 to ± 15 pp depending upon responses to the specific indicator. The net balance and individual percentages are rounded independently, and therefore the percentages may not sum to the balance.
- 2. Seasonal effects:** Businesses are asked to exclude normal seasonal fluctuations from their responses. When it is not practical to compare the current trading situation with that of three months ago, businesses are asked to compare with one year ago.
- 3. Stratified sample:** To design a representative sample of Jersey's businesses, a random sampling approach was used, stratified by business size (employment on a full-time equivalent [FTE] basis) and type of activity ([UK SIC 2007 sector](#)). Size-dependent sampling probabilities were applied, and businesses with more than 50 FTE employees were given a sampling probability of one. The sample is reviewed twice yearly to incorporate new businesses and changes in staffing, in order that the sample remains representative of Jersey's economy.
- 4. Response:** Around 520 firms were sent a survey questionnaire for this survey; around 280 completed questionnaires were returned, constituting an overall response rate of 56%. The respondents accounted for 36% of total private sector employment in the Island.
- 5. Weighting:** The response data collected are weighted before they are analysed. Each reporting business was assigned two weights: a sampling probability weight and a size weight (FTE workforce). The sampling weight adjusts for the different likelihoods of different sized businesses being included in the sample; an effect of the sampling methodology used. The size weight ensures that companies contribute to each indicator in proportion to the size of their workforce. In publications prior to June 2019, the finance annex was weighted by company size only. The annex is now weighted by company size and sampling probability, as in the rest of the report.
- 6. Descriptors:** To aid in interpreting the result, balances and changes of specific magnitudes are described using the terminology set out below.
 - Positive/negative: ± 10 pp or more
 - Extremely positive/negative: ± 50 pp or more
 - Strongly positive/negative: $\pm 25-49$ pp
 - Moderately positive/negative: $\pm 10-24$ pp
 - Neutral / essentially unchanged: $\pm 0-9$ pp

Statistics Jersey welcomes suggestions on how we can improve our surveys and reports to ensure we meet the needs of our users. If you have any feedback relating to this report, please email statistics@gov.je.

Glossary

1. **Employed staff:** This includes staff who are currently on leave of any sort, including furlough leave and unpaid leave. Staff paid through the co-funded payroll scheme should be included, whether or not they are working any hours.
2. **Actively working staff:** This includes staff who are fulfilling their work duties. Staff who are unable to work for any reason should be excluded, whether or not they are paid
3. **Permanent redundancy:** Laying off only covers staff who are no longer employed by the business. Staff that are on the co-funded payroll scheme are still employed, and similarly for staff on leave of any sort, including furlough leave and unpaid leave.
4. **Level of business activity / output:** This is the total amount of work undertaken by an organisation. Business activity can be thought of as gross income, chargeable hours worked, turnover or the number of products produced. The measure of business activity used depends on the nature of an organisation. For example, a legal firm may use the number of chargeable hours worked. A bank may decide to use values of fees, commission and premium income.
5. **Incoming new business / new orders:** This is the amount of new business placed with an organisation. This may include any new clients, new orders or contracts from existing clients or any new contracts.
6. **Level of capacity utilisation:** This is the current business activity relative to 'normal capacity'. 'Above capacity' indicates that a business is above its normal capacity, for example because an organisation is busier than normal or staff are working longer hours than normal. Similarly, 'below capacity' indicates the current business activity is below its normal capacity, for example because an organisation is quieter than normal or staff are working shorter hours than normal.
7. **Average cost of inputs:** This is the average cost for all inputs used by an organisation. Inputs include supplies obtained, stocks/materials bought in and costs of employees, including wages, salaries and pension costs paid by an organisation. We ask businesses to try to give a weighted average of costs. For example, if employment costs are the largest share, they should be given the largest weighting (i.e. importance) when answering the question.
8. **Average prices charged for products:** This is the price charged per item or per unit of time on average. For example, a legal firm will know how much they charge an hour. However, if an organisation offers various services/products, we ask them to try to give a weighted average. For example, if one service accounts for most sales and its prices have increased, then it should be given the largest weighting (i.e. importance) when answering the question, indicating that prices have risen on average.
9. **Profitability:** This is the total profits earned on all activities of an organisation. If an organisation does not calculate profits over the most recent three months, we ask them to try to estimate how their profitability has changed, taking into account changes in turnover, changes in input costs and changes in mark-ups/spreads over input costs.
10. **Employment:** This is the number of employees employed on average. Two part-time employees are equivalent to one full-time employee. For example, if two part-time employees resigned and one full-time employee was taken on, we ask organisations to count this as no net change (so employment was the 'same'). We ask organisations to ignore seasonal or temporary hirings.
11. **Business optimism:** This refers to confidence or optimism about the overall business situation in an organisations' industry generally. Unlike the previous questions, it is not about what is actually happening to an organisation at present, but asks about their opinions for their sector generally.

Appendix

September 2022 – Net balances of indicators (percentage points) and percentage of responders reporting ‘no change’

All sectors; finance; non-finance; construction; hotels, restaurants and bars; wholesale and retail; and other non-finance

Indicator	All sectors		Finance		Non-finance		Construction		Hotels, restaurants and bars		Wholesale and retail		Other non-finance	
	Net balance	No change	Net balance	No change	Net balance	No change	Net balance	No change	Net balance	No change	Net balance	No change	Net balance	No change
Business Activity	10	64	16	76	7	58	9	67	19	63	-4	55	7	55
New Business	8	64	18	74	3	58	-1	54	4	55	1	64	6	58
Capacity Utilisation	7	67	9	85	6	59	19	59	7	71	5	44	2	61
Input costs	-84	16	-75	25	-88	12	-92	8	-95	5	-87	13	-85	15
Product prices	45	53	43	57	45	52	51	49	64	36	80	20	22	72
Profitability	-21	49	1	50	-31	49	-17	56	-31	45	-40	51	-33	47
Employment	16	58	19	47	15	63	13	63	12	63	15	75	16	56
Business optimism	-11	69	3	85	-18	61	10	68	-30	49	-46	47	-9	70
Future business activity	10	60	44	54	-5	63	21	51	-8	55	-27	65	-2	69
Future employment	22	57	43	47	13	62	27	50	-12	62	10	63	19	65

September 2022 – Net balances of indicators (percentage points) and percentage of responders reporting ‘no change’

All sectors, finance and non-finance sectors by size of business*

Indicator	All sectors				Finance				Non-finance			
	Large		Small		Large		Small		Large		Small	
	Net balance	No change*	Net balance	No change*	Net balance	No change*	Net balance	No change*	Net balance	No change*	Net balance	No change*
Business Activity	23	61	-3	66	20	72	7	87	26	52	-5	62
New Business	18	72	-3	55	17	78	20	65	19	66	-8	53
Capacity Utilisation	12	64	3	70	10	84	7	89	14	47	2	66
Input costs	-89	11	-80	20	-85	15	-47	53	-91	9	-87	13
Product prices	55	45	35	61	50	50	25	75	60	40	37	58
Profitability	-15	46	-27	53	9	41	-19	73	-37	49	-28	49
Employment	17	50	15	66	16	41	26	62	19	57	12	67
Business optimism	-8	70	-14	67	4	84	-1	85	-19	57	-17	64
Future business activity	27	54	-5	67	56	44	12	81	2	62	-8	64
Future employment	33	48	12	66	48	41	30	63	20	55	8	66

* Large companies are defined as having more than 50 FTEs and small companies are defined as having 50 or fewer FTEs.

Indicators – net balances (percentage points)

All sectors

Indicator	2018				2019				2020				2021				2022		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	16	25	21	11	13	16	3	6	-11	-62	-8	-15	-21	20	9	3	8	20	10
New Business	19	16	18	3	8	3	3	9	-13	-58	-14	-13	-8	18	7	9	7	17	8
Capacity Utilisation	6	11	8	7	1	3	3	1	-11	-40	-12	-17	-13	2	12	9	5	10	7
Input costs	-50	-54	-53	-44	-48	-42	-50	-52	-40	-9	-24	-19	-37	-57	-65	-70	-74	-84	-84
Product prices	26	29	22	14	27	21	16	15	10	-3	-3	-5	9	20	22	26	45	51	45
Profitability	-9	1	-2	-14	-11	-5	-19	-14	-29	-70	-33	-33	-38	-11	-13	-25	-25	-24	-21
Employment	9	14	10	4	10	4	4	-2	-4	-34	-15	-2	1	4	8	2	0	8	16
Business optimism	11	10	7	1	1	-4	-5	4	-30	-51	-23	-9	3	16	12	-3	-4	1	-11
Future business activity	20	25	21	11	25	13	-2	16	-23	-14	-4	-2	20	29	10	10	25	18	10
Future employment	12	16	17	3	7	3	12	2	2	-7	-3	7	23	31*		20	25	27	22

* revised

Finance

Indicator	2018				2019				2020				2021				2022		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	36	31	28	28	39	33	7	17	17	-21	-1	17	-12	43	13	19	24	25	16
New Business	33	17	23	20	28	1	7	29	11	-36	-12	10	14	40	18	34	18	19	18
Capacity Utilisation	28	20	8	21	13	7	7	8	5	13	6	11	15	22	18	14	16	13	9
Input costs	-25	-30	-27	-22	-21	-19	-43	-43	-32	-6	-5	4	-27	-33	-37	-46	-57	-75	-75
Product prices	18	16	7	7	24	3	2	7	-5	1	-13	-11	9	7	9	13	30	42	43
Profitability	18	17	20	7	16	11	-12	2	-19	-36	-21	-11	-5	32	16	10	2	3	1
Employment	33	28	11	11	35	20	4	18	1	-7	-1	15	19	18	22	27	18	21	19
Business optimism	24	20	16	17	15	1	-9	9	-27	-35	-24	17	24	38	36	26	2	16	3
Future business activity	39	54	49	34	39	28	14	38	-21	-32	13	34	19	38	29	39	36	30	44
Future employment	37	39	24	12	17	18	41	16	16	8	13	31	34	49		49	25	43	43

Non-finance

Indicator	2018				2019				2020				2021				2022		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	6	23	18	4	1	8	2	0	-24	-80	-11	-28	-25	11	7	-3	2	17	7
New Business	12	16	15	-5	-1	4	1	-2	-24	-68	-15	-22	-18	9	2	1	2	16	3
Capacity Utilisation	-3	8	8	1	-4	1	1	-2	-19	-64	-20	-27	-25	-6	9	8	1	9	6
Input costs	-62	-64	-65	-53	-60	-51	-53	-57	-44	-10	-32	-29	-42	-66	-76	-79	-82	-88	-88
Product prices	29	35	29	17	28	29	22	19	17	-6	1	-2	9	25	28	30	51	55	45
Profitability	-22	-5	-12	-23	-23	-13	-22	-22	-34	-85	-38	-42	-51	-28	-25	-37	-36	-36	-31
Employment	-2	8	10	2	-2	-3	3	-12	-7	-46	-20	-8	-7	-2	2	-7	-9	2	15
Business optimism	5	6	3	-6	-6	-6	-3	1	-31	-58	-23	-20	-6	7	2	-13	-6	-6	-18
Future business activity	12	14	9	1	19	6	-9	5	-23	-6	-11	-16	20	25	2	0	20	12	-5
Future employment	1	7	14	-1	3	-4	-2	-6	-5	-13	-10	-3	18	20*	12*	10	25	20	13

* revised

Construction

Indicator	2018				2019				2020				2021				2022		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	20	21	11	3	-8	-10	3	-8	-13	-92	-3	-24	-18	19	-9	-4	25	19	9
New Business	9	18	4	-10	-6	19	9	-7	-13	-82	-11	-21	-17	7	-10	3	27	25	-1
Capacity Utilisation	-5	-2	13	-7	21	7	3	4	-7	-83	-22	-25	-15	13	-3	9	20	15	19
Input costs	-78	-76	-75	-44	-54	-77	-69	-56	-52	3	-39	-44	-60	-73	-75	-84	-93	-93	-92
Product prices	31	34	33	12	3	38	25	14	15	-10	12	0	22	31	43	41	33	65	51
Profitability	-24	8	-6	-17	-25	-25	-37	-27	-33	-92	-40	-52	-57	-25	-40	-62	-39	-26	-17
Employment	4	18	28	6	-2	-10	8	-5	4	-47	-16	-1	2	-6	-22	14	12	-4	13
Business optimism	21	32	21	5	-11	9	34	13	-2	-74	-14	-9	15	23	5	20	10	3	10
Future business activity	17	17	19	8	-1	-1	12	6	5	-34	1	-7	3	33	1	-2	36	33	21
Future employment	-17	2	19	9	-2	3	16	9	13	-21	13	4	19	30	0	26	33	25	27

Hotels, restaurants and bars

Indicator	2018				2019				2020				2021				2022		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	-7	13	28	-16	-27	-23	-4	-7	-42	-100	-44	-98	-72	-15	40	-14	11	28	19
New Business	2	13	28	-27	-20	-27	-10	-18	-45	-100	-50	-84	-51	-7	30	-22	16	33	4
Capacity Utilisation	-10	-3	17	-25	-24	-28	-5	-12	-44	-87	-65	-80	-78	-40	14	-20	-29	3	7
Input costs	-91	-70	-70	-70	-83	-75	-68	-72	-47	20	-38	-13	-20	-84	-92	-88	-83	-100	-95
Product prices	47	36	52	23	58	38	35	47	8	-36	-22	-36	-16	57	49	33	55	53	64
Profitability	-35	-30	-12	-46	-39	-15	-31	-39	-62	-100	-85	-94	-83	-63	-29	-48	-11	-35	-31
Employment	-14	15	1	-15	-19	-12	-13	-14	-25	-85	-44	-43	-45	-27	-4	-33	-21	11	12
Business optimism	-14	-15	-11	-35	-8	-12	-16	-10	-78	-89	-80	-94	-16	-18	13	-27	-9	-3	-30
Future business activity	17	17	-11	-37	25	5	-41	-5	-49	-62	-71	-79	44	23	-22	-4	25	21	-8
Future employment	29	6	-3	-26	22	-15	-36	-10	-35	-42	-63	-38	37	7	-9*	-2	34	9	-12

* revised

Wholesale and retail

Indicator	2018				2019				2020				2021				2022		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	-19	41	1	2	14	16	9	-3	-29	-79	21	-8	-23	17	-3	-13	16	33	-4
New Business	-14	33	6	-9	7	3	3	-1	-29	-62	14	28	-6	18	-9	-13	-4	13	1
Capacity Utilisation	-13	15	-21	3	-15	10	26	0	-24	-68	-19	-5	-23	1	-8	0	-8	14	5
Input costs	-47	-73	-67	-66	-65	-51	-23	-68	-48	-10	-20	-35	-45	-62	-79	-80	-85	-89	-87
Product prices	32	36	22	27	22	29	8	29	22	3	3	6	20	24	20	54	71	77	80
Profitability	-24	3	-30	-36	-13	-23	-12	-31	-48	-76	0	-10	-37	-17	-16	-14	-58	-49	-40
Employment	-12	-2	-8	1	-1	-7	5	5	-4	-41	-14	11	16	4	29	-18	1	-5	15
Business optimism	1	-2	-20	-27	-15	-16	6	-5	-21	-45	3	-2	21	16	4	-33	-12	-10	-46
Future business activity	17	16	-3	5	25	6	6	-1	-21	16	-6	19	39	29	19	16	13	3	-27
Future employment	-14	5	14	-7	-3	3	14	-2	-2	-11	-9	1	18	11	33*	21	15	10	10

* revised

Other non-finance – private sector excluding finance and legal activities, construction and quarrying, hotels restaurants and bars, and wholesale and retail

Indicator	2018				2019				2020				2021				2022		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	18	19	24	13	8	19	0	5	-17	-49	-14	-19	-17	12	6	4	-12	3	7
New Business	28	8	18	7	4	10	2	4	-17	-48	-14	-24	-12	10	4	10	-8	7	6
Capacity Utilisation	5	11	18	12	0	5	-8	-2	-11	-22	-6	-25	-18	-7	19	17	3	5	2
Input costs	-54	-51	-59	-45	-52	-37	-57	-48	-40	-15	-31	-26	-40	-62	-71	-74	-76	-82	-85
Product prices	22	34	22	13	28	24	23	7	20	0	5	2	7	16	20	17	49	39	22
Profitability	-16	-3	-4	-12	-21	-3	-19	-11	-18	-62	-37	-39	-45	-25	-23	-32	-33	-32	-33
Employment	6	7	17	6	4	4	8	-20	-5	-23	-17	-9	-8	2	-1	-5	-16	6	16
Business optimism	7	10	16	9	1	-3	-13	5	-25	-43	-17	-11	-19	5	-3	-15	-9	-8	-9
Future business activity	6	10	21	10	20	9	-10	10	-20	-10	3	-18	14	22	2	-3	17	6	-2
Future employment	6	10	19	7	2	-6	0	-9	1	1	-2	2	12	22*	12*	2	25	26	19

* revised

For comparability with past reports, the previously used definition of “other non-finance” is included below.

Other non-finance and hotels, restaurants and bars – private sector excluding finance and legal activities, construction and quarrying, and wholesale and retail

Indicator	2018				2019				2020				2021				2022		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	12	16	25	5	-1	9	-1	2	-24	-78	-21	-36	-28	8	14	1	-8	9	10
New Business	22	9	21	-2	-2	1	-1	-1	-25	-67	-23	-37	-20	7	9	3	-5	14	5
Capacity Utilisation	1	7	17	2	-6	-3	-7	-4	-23	-59	-20	-35	-29	-13	18	9	-2	4	3
Input costs	-63	-57	-62	-52	-60	-46	-60	-54	-43	-13	-33	-23	-36	-66	-76	-77	-77	-86	-88
Product prices	28	35	30	16	36	27	27	17	17	-7	-1	-6	3	23	27	21	50	43	34
Profitability	-21	-12	-7	-21	-26	-6	-22	-18	-29	-86	-48	-51	-53	-32	-25	-35	-29	-33	-32
Employment	1	10	13	1	-2	0	2	-19	-10	-47	-23	-16	-15	-3	-2	-11	-17	7	15
Business optimism	2	2	8	-3	-1	-5	-14	1	-40	-58	-32	-28	-19	1	1	-17	-9	-7	-15
Future business activity	8	12	12	-2	22	8	-19	6	-29	-6	-15	-30	19	22	-3	-3	18	9	-4
Future employment	11	9	13	-2	6	-8	-10	-9	-9	-12	-16	-6	17	18*	7*	1	26	22	10

* revised

Past reports are available online at www.gov.je/BTS Data tables for the above and earlier years are available online at opendata.gov.je/dataset/business-tendency-survey